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# OZ ICT

Australian ICT Bulletin

U.S. Commercial Service, Australia

# Welcome

### To the Australian ICT Bulletin

This monthly publication contains useful business intelligence on the Australian IT market.

In this issue, you'll find information on:

- Electronic Healthcare Records Update,
- Australian Privacy Principals
- Half Yearly Look at Telstra
- and much, much more!

For further information on the articles in this publication or on any aspect of the Australian ICT market, please contact:

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## The Australian Healthcare Market

Over recent years there has been a marked push to develop a true electronic healthcare records system in the Australian market. There has been much debate about how to achieve an Australia-wide system. There are some fundamental issues to address in terms of what roles the States and the Federal government will take and how to achieve these changes for a true e-health system to be rolled out.

The Federal government has appointed each State to decide for itself what systems it needs as a priority to connect all of its essential parties: hospitals, physicians, government agencies, and pharmacies.

In 2001, the Federal government in conjunction with the State Health ministers established HealthConnect with the aim of developing true national electronic health records systems. With a budget of AU\$120 million, electronic health records trials were established in the States of Tasmania and South Australia. According to HealthConnect, the rollouts were conducted on a case by case basis. The other Australian States were due to follow after.

At the same time, the State Governments have been allocated funds to run their own trials of electronic healthcare systems. Into this mix, fits the National e-Health Transition Authority (NEHTA) which is chartered to act as the standards setting authority. State allocation of funds is as follows:

**New South Wales** – AU\$110 Million, one small request for tender awarded to Cerner for AU\$20 Million to develop plans for a medical record system. On the recommendation of Accenture Consulting, a recent tender was called to open up the market to additional clinical information systems developers. It is believed that nine developers applied (including Canadian Dinmar and UK-based iSoft) but “NSW Health was unable to select a workable alternative product”

**Victoria** – AU\$140 Million – RFT awarded to UK-based iSoft to provide patient medical records system

**South Australia** - AU\$140 Million

**Western Australia** – AU\$380 Million

As it currently stands, the States are in control of articulating their own needs for the implementation of electronic healthcare records systems. The job of hooking up all the individual State systems into a national infrastructure is viewed as a Federal-level priority to which approximately AU\$1 Billion has been allocated.

In more recent times, there has been a call for the Federal government to take a more proactive role in the whole national e-Health initiative.

Time will tell how the market plays out in Australia. Already millions of dollars have been poured into promoting small, cottage industry local IT companies who have failed to develop solutions that adequately address the complex requirements of a national health records system. Moreover, the States have probably failed to understand their own IT requirements, accordingly tenders have had to be scrapped and re-written, proving an enormously costly exercise for the States and the companies bidding on the projects.

### National e-Health Transition Authority

The National e-Health Transition Authority (NEHTA) has been established as a standards setting authority. NEHTA's board is made up of CEOs of all the health departments of all the Australian States. The NEHTA model has the objective of developing specifications and standards that can be implemented across Australia. Some of the issues that they are charted to address include the exchange of information between hospitals and general practice – ensuring that information systems talk to each other, and there is a level of semantic interoperability. Recently NEHTA has been awarded AU\$130 Million by the Council of Australian Governments to three new e-health projects:

- NEHTA will spend AU\$53 Million on developing a unique identification number for every healthcare provider.
- AU\$45 Million on unique patient number for every Australian

- AU\$32 Million will be spent on embedding the SNOMED Clinical Terms standardized codes as the common medical terminology to be used by all healthcare professionals.

### Did You Know?

The local PC market grew by 14.6 percent in 2005. From 2004 to 2005 the local laptop market grew by 40.7 percent according to the Gartner Group.

### Top Five Laptop Vendors

	Market Share
HP	16.5 percent
Dell	13.5 percent
Acer	11.3 percent
Lenovo	6.6 percent
Toshiba	5.4 percent
Apple	4.1 percent

## 10 Privacy Principals in Australia

The best place to start to gain an understanding of Australia's privacy regime is the privacy principals introduced by the Privacy Amendment 2000. These apply to parts of the private sector and all health providers. A separate 11 principals apply to the public sector at both the Federal and State Levels.

### 1. Collection

An organization must not collect personal information unless the information is necessary for its functions or activities, and the collection must be lawful and not unreasonably intrusive. The individual must

be made aware of the organization collecting, the purpose for the collection, and to whom the information will be disclosed.

### 2. Use and Disclosure

An organization must not use or disclose personal information about an individual for an purpose other than collection, unless the purposes are related or the individual has consented to the disclosure. If it's not sensitive information it can be used for direct marketing, subject to some restrictions. Health information can be used for the purpose of compiling statistics, All information can be disclosed if that is required in law.

### 3. Data Quality

An organization must take reasonable steps to make sure that the personal information it collects, uses or discloses is accurate, complete and up-to-date.

### 4 Data Security

An organization must take reasonable steps to protect the personal information it holds from misuse and loss and from unauthorized access, modification or disclosure.

### 5. Openness

An organization must set out in a document policies on its management of personal information. The organization must make the document available to anyone who asks for it. On request, an organization must let a person know, generally, what sort of personal information it holds, for what purposes, and how it collects, holds uses and discloses that information.

### 6. Access and Correction

If an organization holds personal information, it must provide an individual with access to that information on request, except where that would be unlawful, pose a threat to the life or health of the individual or would impact on the privacy of another individual. It must also take reasonable steps to correct the

information if the person can establish it is not accurate.

## **7. Identifiers**

An organization must not adopt as its own identifier of an individual an identifier assigned by a government agency.

## **8. Anonymity**

Wherever possible, individuals must have the option of not identifying themselves when entering transactions with an organization.

## **9. Transborder Data Flows**

An organization in Australia can transfer about an individual to someone in a foreign country only if they are subject to a law of scheme similar to the National Privacy Principles, the individual consents or the transfer is necessary for the performance of a contract involving the individual.

## **10. Sensitive Information**

An organization must not collect sensitive information about an individual unless the individual has consented or the collection is required by law or the collection is required by law or the collection is necessary to prevent or lessen a serious threat to the life of health of an individual.

More information can be found at:

<http://www.privacy.gov.au/index.html>

from traditional desktop business towards using notebooks.

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Attention: We would like to know if Oz IT is useful to you. If information from this newsletter leads to a sale of signing of an agreement, please let us know!

## **Bulletin Board**

### **Local Companies Looking for U.S. Technologies to Distribute in Oz**

If you have products that may be of interest to these local companies, contact them directly. All we ask is that if you get success with these companies, in terms of distribution of your products, could you kindly let us know!

### **Dynamic Business Development Australia**

PO Box 5243

South Turramurra NSW

Contact: Mark Jackson

[mjackson@edsl.com.au](mailto:mjackson@edsl.com.au)

Tel: 61 2 9144 7840

**Looking for:** Three IT vendors to join our complimentary vendor portfolio. Areas of expertise include: wireless, DSLAM, LAN, and WAN products.

### **Simms International**

20/39 Herbert Street

St Leonards, NSW 2065

Contact: Linda O'Neill

[loneill@simms.com.au](mailto:loneill@simms.com.au)

[www.simms.com.au](http://www.simms.com.au)

**Looking for:** Highly volatile IT, photographic or telco. components and accessories.

### **MPA Systems Pty Ltd**

141 Church St

Hawthorn VIC 3122

Contact: Guy Goodman

[guyg@mpasystems.com.au](mailto:guyg@mpasystems.com.au)

[www.mpasystems.com.au](http://www.mpasystems.com.au)

**Looking for:** Cost effective email gateway product. The company already represents Tumbleweed, and is looking for less-inexpensive product to sell into SME market.

## 3G Market Break Down

### Telstra Awards Ericsson New Deal

Telstra has awarded Ericsson the job of constructing and integrating its new AU\$1 Billion plus UMTS network at 850 MHz.

### No of Subscribers

Hutchison	700,000
Vodafone	50,000
Optus	25,000
Telstra	25,000

Source: Telsyte

### Local Bandwidths and Expiry Dates

Network	MHz Band	Start	Close
Analogue AMPs	850	1989	1999
GSM	900	1992	No Plans
CDMA-EV-DO	850	1998	2006
UMTS	2100	2004	No Plans
UNTS	850	2006	No Plans

### Australian Broadband Survey

A recent survey comparing DSL prices and capacities around the world found that Australia ranked 24<sup>th</sup>, while in broadband penetration, Australia ranked 22<sup>nd</sup>.

### Cell Phone Market Share By Manufacturer, June 2005

The Australian market for Nokia, the world's biggest manufacturer of mobile phones has halved in the last two years, according to a new report. The decline has been in part attributed to the increased popularity of clam shell phones, a trend the company was late to acknowledge. Nokia is still the leader in the local cell phone market with about 30 percent share. At the same time, Samsung, LG, Panasonic and Motorola have all increased their market share.

### Australian 3G Numbers

As of Christmas 2005, all four local wireless carriers have started offering 3G solutions to the local market. It is estimated that there are now 800,000 3G subscribers in the Australian market, which is approximately five percent of the mobile base. The country's largest 3G provider Hutchison, promoted live sports on its cell phones over Christmas. It is anticipated that 3G will become a lot more popular during the second half of this year when Hutchison plans to shift subscribers from its cheaper Orange CDMA service to 3G services. This move is being forced by the fact that Telstra plans to dump CDMA in favor of an 850 MHz 3G service.

### Mobile Market Share June 2005

Nokia	35 percent
Motorola	22 percent
Samsung	17 percent
Sony Ericsson	10 percent
Siemens	3 percent
Other	4 percent

Source: The Australian June 2005

## Telstra Half Yearly Results Under the Microscope

Australian telecommunications giant Telstra is struggling to retain its control over an ever-evolving market. Though their broadband services are gaining customers, these increases are not strong enough to offset falling revenue in their landline and cellular markets. Interim profits report that Telstra's once jewel-in-the-crown copper phone network is providing less revenue in comparison to new IP-based technologies.

Telstra is 49% privatized; the Australian government continues to maintain majority ownership and heavily monitors and regulates the company's market dominance. The government enforces a universal service obligation, which negates profit-based decision-making and ensures that Telstra will provide services throughout Australia. This is particularly important in areas where low population density makes providing services a fiscally counterproductive commitment.

### Telstra's Interim Profits (January, February 2006)

**Internet and IP Solutions:** 42% growth, increase of A\$264m

**Mobiles:** 4.6% growth, increase of A\$109m

**Sensis (advertising and directories):** 6.3% growth, increase of A\$56m

**Pay TV:** 29% growth, increase of A\$35m

#### Integrated Services Digital Network

**(ISDN):** 7.1% fall, decrease of A\$32m

**Specialized data:** 8.5% fall, decrease of A\$ 42m

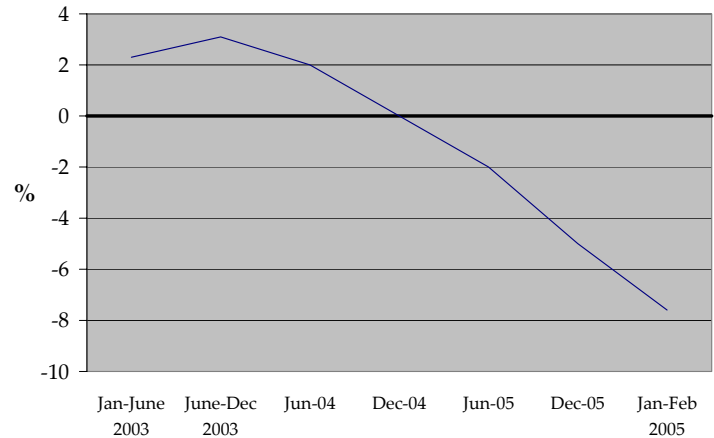
**Fixed line voice:** 7.6% fall, decrease of A\$313m

Source: Australian Financial Review

While competitors continue to gain traction in the mobile market, Telstra is experiencing declining use of its fixed line phones. As more people opt for cell phones or use the Internet as their primary means of communication, landline usage is dwindling. Telstra announced a net profit decline of over 10% as customers cut back on

their use of fixed line phones in greater than predicted numbers. Home telephone revenues face a 7.6% slump, and the number of calls being made on landlines are expected to continue falling.

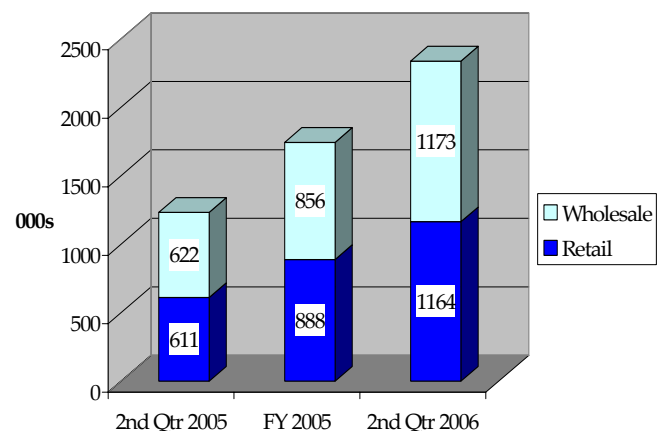
Fixed Line Revenue Change



Source: Australian Financial Review

Telstra's broadband subscriber growth is outpacing rival Optus at a rate of 4 to 1. Its Internet and Internet Protocol Solutions Division, which is responsible for broadband services, recorded a 42.3% rise in revenue, to A\$888million.

Broadband Subscribers



Source: Australian Financial Review

Increase of 276,000 wholesale broadband customers  
Increase of 317,000 retail broadband customers

## **Australian Workflow Solutions Companies**

### **Aspcenta Pty Ltd**

Mr Colin Hickey, Managing Director  
Phone: 61 2 9572 9133 Fax: 61 2 9572 9144  
Email: colin@mtn.com.au  
Ms Margaret Hickey, Director & Business Manager  
Phone: 61 2 9572 9133 Fax: 61 2 9572 9144

57-59 Renwick Street  
Leichhardt, NSW 2040  
Web Site: [www.aspcenta.com.au](http://www.aspcenta.com.au)

### **CompuTechnics Pty Ltd**

Mr. Tony Walls, Director  
Phone: 61 2 9955 2288 Fax: 61 2 9955

Level 32, 100 Miller Street  
North Sydney, NSW 2060  
Web Site: [www.computechtechnics.com.au](http://www.computechtechnics.com.au)

### **Factiva Australia Pty Ltd**

Ms Maria Massagli  
Phone: 609 627 2977  
Email: maria.massagli@factiva.com

Level 10 Royal Exchange Building  
56 Pitt Street  
Sydney, NSW 2000  
Web Site: [www.factiva.com](http://www.factiva.com)

### **Hume Computers Pty Ltd**

Mr. Aidan Leatham, Managing Director  
Phone: 61 2 9637 4500 Fax: 61 2 9637  
Email: aleatham@humecomputers.com.au

60 Prospect Street  
Rosehill, NSW 2142  
Web Site: [www.humecomputers.com.au](http://www.humecomputers.com.au)

### **LabMagic**

There are no contacts

Level 5, 114 Flinders Street  
Melbourne, VIC 3000  
Web Site: [www.labmagic.com.au](http://www.labmagic.com.au)

### **Modulo Systems (Australia) Pty Ltd**

Mr Andrew Stowell, General Manager

97 Rose Street  
Chippendale, NSW 2008  
Web Site: [www.modulosystems.com.au](http://www.modulosystems.com.au)

### **Prime Management Systems Pty Ltd**

Mr Rick Stannard, Managing Director  
Phone: 61 2 8902-4493  
Email: rtstannard@primeltd.com.au

4/54 Milson Road  
Cremorne Point, NSW 2090  
Web Site: [www.primeltd.com.au](http://www.primeltd.com.au)

### **Rebis Solutions Pty Ltd**

Gerard Ward, Mr  
Phone: 61 2 9929 4200 Fax: 61 2 9475 4048  
Email: gward@rebis.com.au

PO Box 436  
Edgecliff, NSW 2027  
gward@rebis.com.au  
Web Site: [www.rebis.com.au](http://www.rebis.com.au)

### **The Westbourne Group**

Mr Stephen Davey, Director  
Phone: 61 2 6260 4700 Fax: 61 2 9260 4333  
Email: sdavey@westbourne.com.au

2/19 Napier Close  
Deakin, ACT 2600

Web Site: [www.westbourne.com.au](http://www.westbourne.com.au)

**Please let us know if  
these vendors are of use  
to you, and especially if it  
leads to an export sale**



## US Pavilion At CeBIT, Sydney May 9-11, 2006

The US Commercial Service in Sydney is organizing a booth at this year's CeBIT Australia trade show. We are inviting US vendors of ICT solutions to come down to the market and exhibit at the show in our USA Pavilion.

Service that we are offering include:

- Exhibit in the Pavilion
- Organize appointments for potential Australian partners to meet you at the show.
- Assistance for your Australian distributor to exhibit at the show.
- If you can't make it in person, allow us to exhibit your catalogs, and provide you with a list of trade leads at the end of the show.

For further information on the trade show and how we can assist please contact:

[Duncan.archibald@mail.doc.gov](mailto:Duncan.archibald@mail.doc.gov), or  
[Sandra.Campbell@mail.doc.gov](mailto:Sandra.Campbell@mail.doc.gov).

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### Upcoming Trade Shows

#### HIC 2006 – Health Informatics Conference

Covering both exhibition and tutorials, HIC 2002 will concentrate on delivering information on products and trends in the e-Health market  
Date: August 20-22 2006

Location: Sydney Exhibition Centre

Organizers: HISA

Frequency: Annual

Tel: 61 3 9388 0555

Fax: 61 3 9388 2086

Email: [hisa@hisa.org.au](mailto:hisa@hisa.org.au)

Web site: [www.hic.org.au](http://www.hic.org.au)

#### AusCert Asia Pacific Information Technology Security Conference, 2006

An international conference focussing on IT security for CFOs, CIOs, CTOs and technical staff from government agencies, universities and industry. Featuring local and international IT security experts.

Date: May 21-26, 2006

Location: Royal Pines Resort, Gold Coast

Organizers: AusCert

Frequency: Annual

Tel: 61 7 3365 4417

<http://conference/auscert.org.au>

<http://www.auscert.org.au>